



Special Called Work Session Agenda
Monday, August 16, 2021
6:00 p.m. – City Council Work Session
6:00 p.m. – Joint City Council & Budget Committee Work Session

REVISED 08/12/2021

Welcome! The public is strongly encouraged to participate remotely but there is limited seating at Civic Hall for those who are not able to participate remotely. However, if you are not feeling well, please stay home and take care of yourself. Mask must be worn inside City buildings.

*You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331,
Ziply Fiber 29 or webstream here:
www.mcm11.org/live*

CITY COUNCIL WORK SESSION AND
JOINT CITY COUNCIL & BUDGET COMMITTEE WORK SESSION MEETING

*You may join online via Zoom Meeting:
<https://mcminnvilleoregon.zoom.us/j/81013913247?pwd=Y3ZKaUtwS1JDQ2RQZThJMVhFelVhUT09>
Zoom ID: 810-1391-3247
Zoom Password: 296331*

*Or you can call in and listen via zoom: 1-253- 215- 8782
ID: 810-1391-3247*

6:00 PM – SPECIAL CALLED CITY COUNCIL WORK SESSION MEETING – VIA ZOOM & COUNCIL CHAMBERS

1. CALL TO ORDER & ROLL CALL
2. CONSOLIDATION UPDATE
3. ADJOURNMENT

6:00 PM – SPECIAL CALLED JOINT MCMINNVILLE CITY COUNCIL & MCMINNVILLE BUDGET COMMITTEE WORK SESSION MEETING – VIA ZOOM & COUNCIL CHAMBERS

1. CALL TO ORDER & ROLL CALL
2. AMERICAN RESCUE PLAN INVESTMENTS DISCUSSION
3. ADJOURNMENT OF JOINT MEETING

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice: Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made a least 48 hours before the meeting to the City Recorder (503) 435-5702 or Claudia.Cisneros@mcminnvilleoregon.gov.



STAFF REPORT

DATE: August 9, 2021
TO: Mayor and City Councilors
FROM: Rich Leipfert, Fire Chief
SUBJECT: Fire Department Consolidation Update on Standards of Cover:



COMMUNITY SAFETY & RESILIENCY

Proactively plan for & responsively maintain a safe & resilient community.

OBJECTIVE/S: Provide exceptional police, municipal court, fire, emergency medical services EMS), utility services and public works

Report in Brief:

The Fire Department Consolidation Feasibility Report has been completed. Consultants ESCI will lead the discussion on summary of work done to date and update on Standards of Cover work still in progress.

Background:

The City of McMinnville and its partners have completed the Fire Department Consolidation Feasibility Study. The plan did identify that consolidating departments is feasible. There was some preliminary work done on Implementation planning but it was determined that more information from the standards of Cover work was needed for some partners to determine if they were interested or not in moving forward with consolidation at this time.

Discussion:

The purpose of the presentation is for the Consultant to present a review of work done and provide a status update to the Council on the implementation meeting and the current fiscal and standards revisions being incorporated into the Standards of Cover.

Attachments:

Fiscal Impact: No changes



Northern Yamhill County Fire Departments & Districts

**Fire District & Departments
Consolidation Feasibility Study
Cost Modeling
Standards of Cover
Strategic Implementation Plan**

Sheldon D. Gilbert

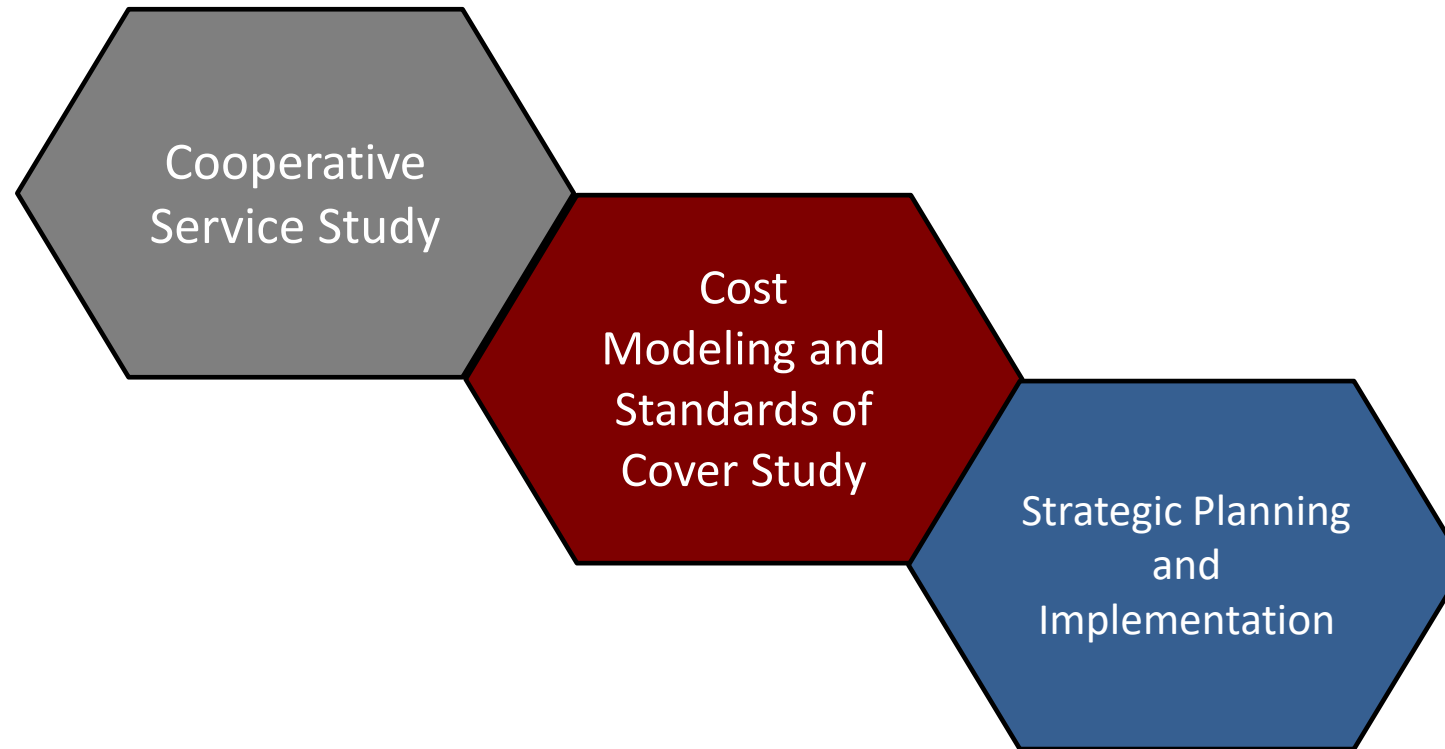
Director of Planning and Strategic Services

ESCI Emergency Services
Consulting International
Providing Expertise and Guidance that Enhances Community Safety

The Process



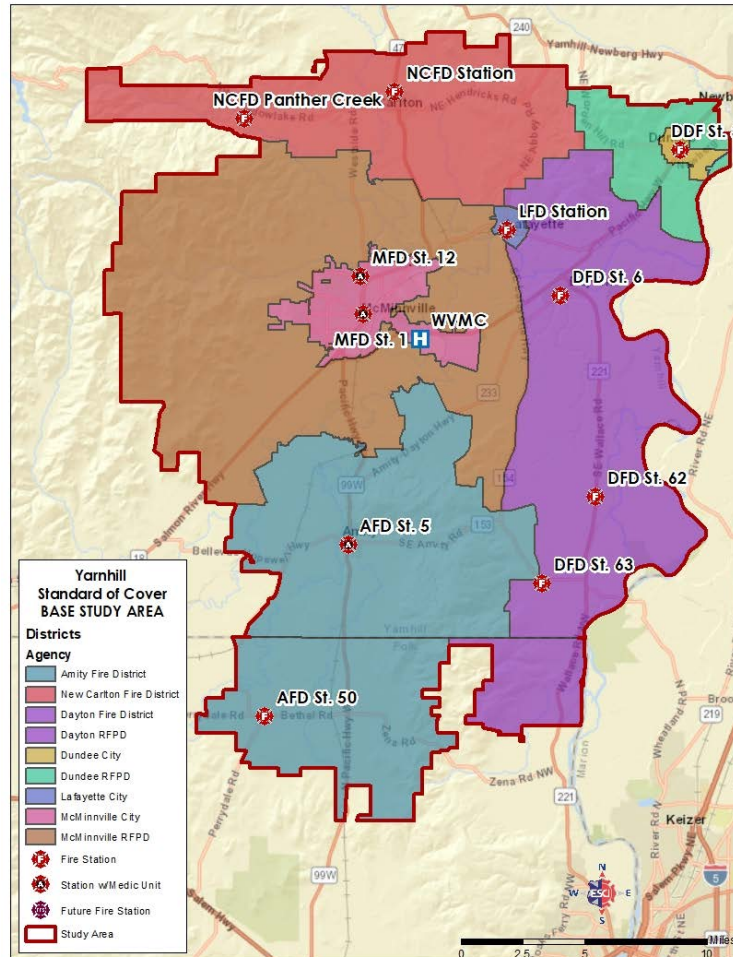
The Process



Study's Purpose

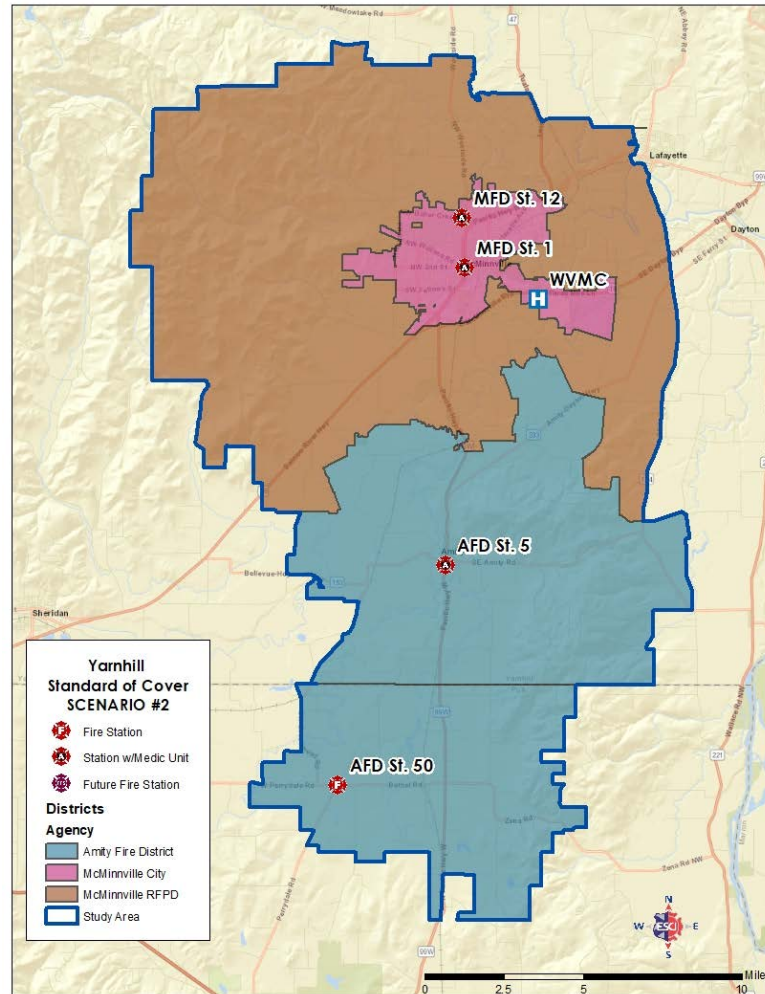
- Assess current fiscal, service level, and infrastructure conditions of each agency; provide a side-by-side comparison of existing services and processes; forecast each agency's fiscal future for the next five years
- Evaluate a base and two optional scenarios for district formation options
- Analyze these options and alternatives, evaluate the potential of the options and the opportunity for success

Base District Scenarios



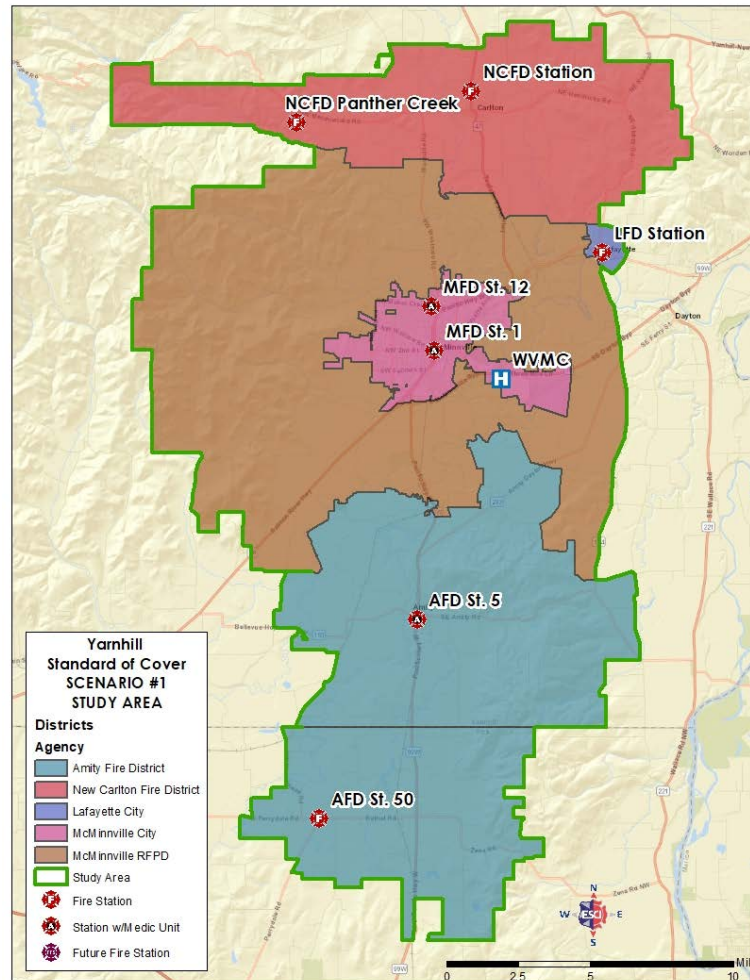
- Amity Fire District
- New Carlton Fire District
- Dayton Fire District
- Dundee Fire District
- City of Dundee
- Lafayette Fire Department
- McMinnville City
- McMinnville Rural Fire District

District Scenario #1



- Amity Fire District
- McMinnville City
- McMinnville Rural Fire District

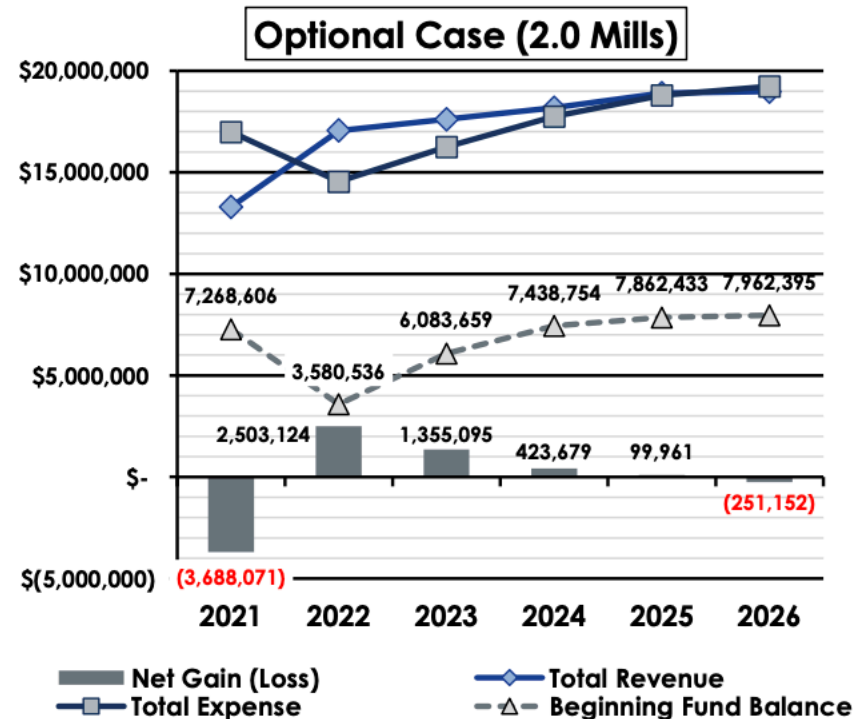
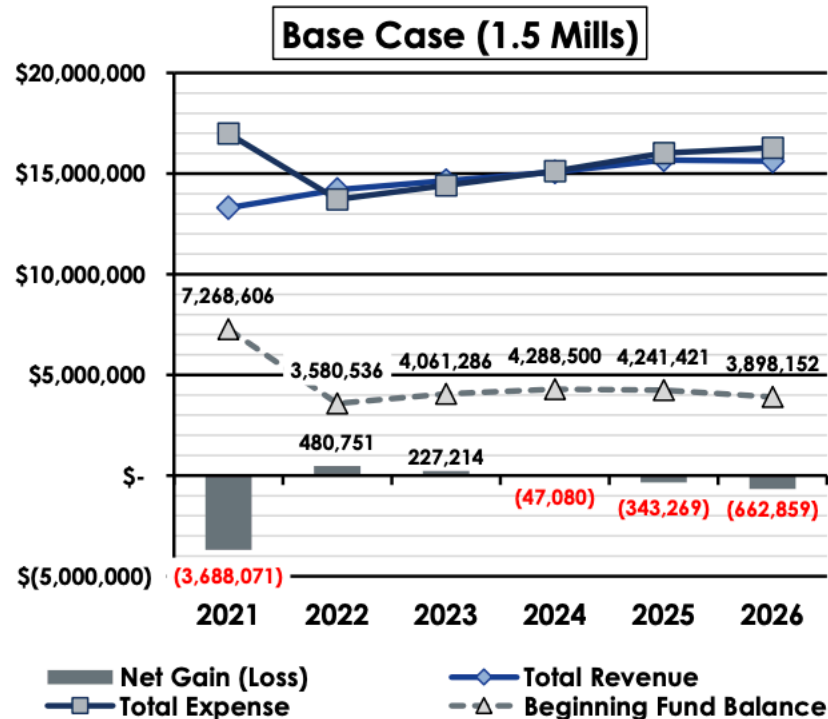
District Scenario #2



- Amity Fire District
- New Carlton Fire District
- Lafayette Fire District
- McMinnville City
- McMinnville Rural Fire District

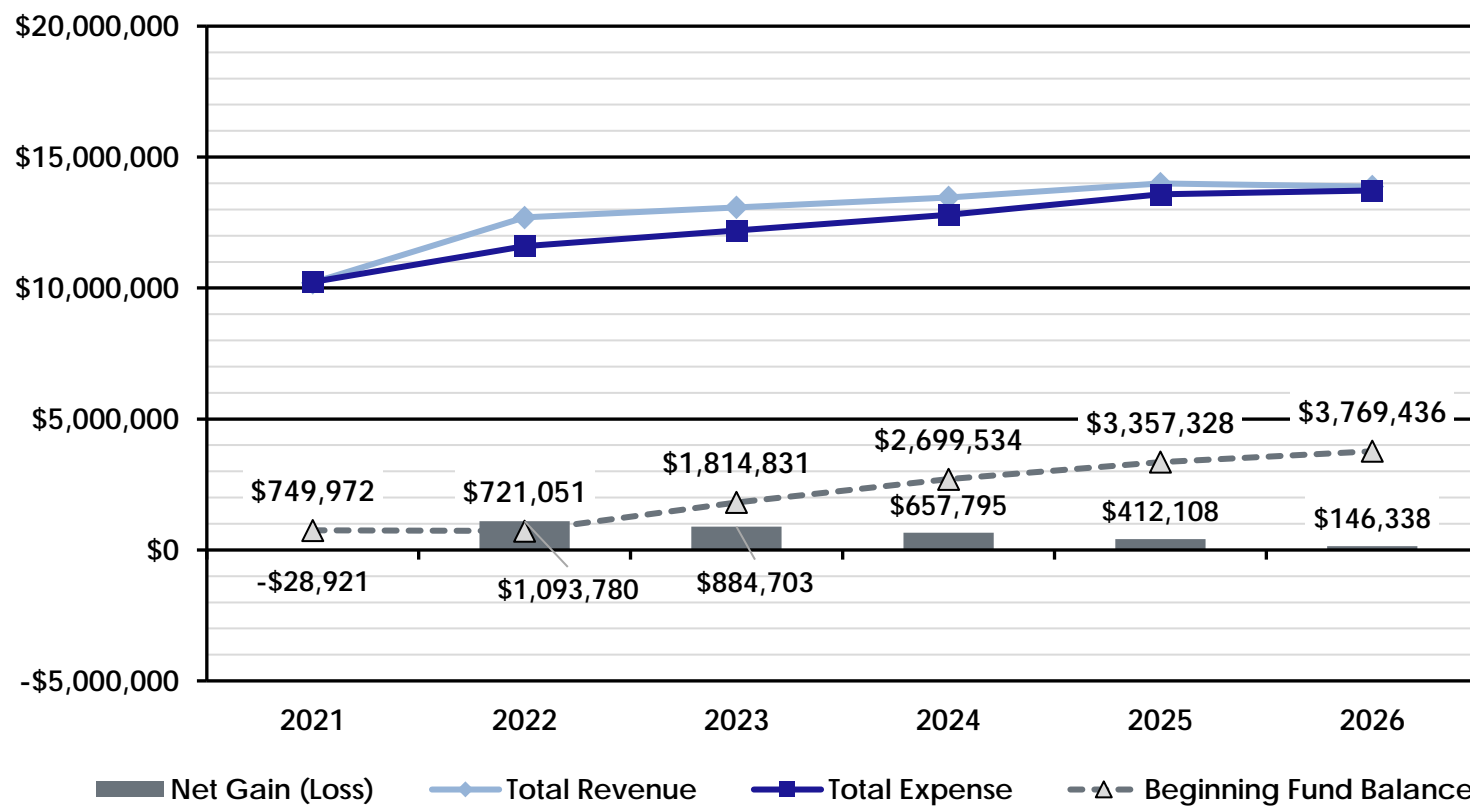
Financial Analysis of Base Option

The assumed effective, permanent levy rate in the base case for the North Willamette Valley Fire District model is 1.5 mills and 2.0 Mills per 1,000 AV for the forecast period FY 2022–26



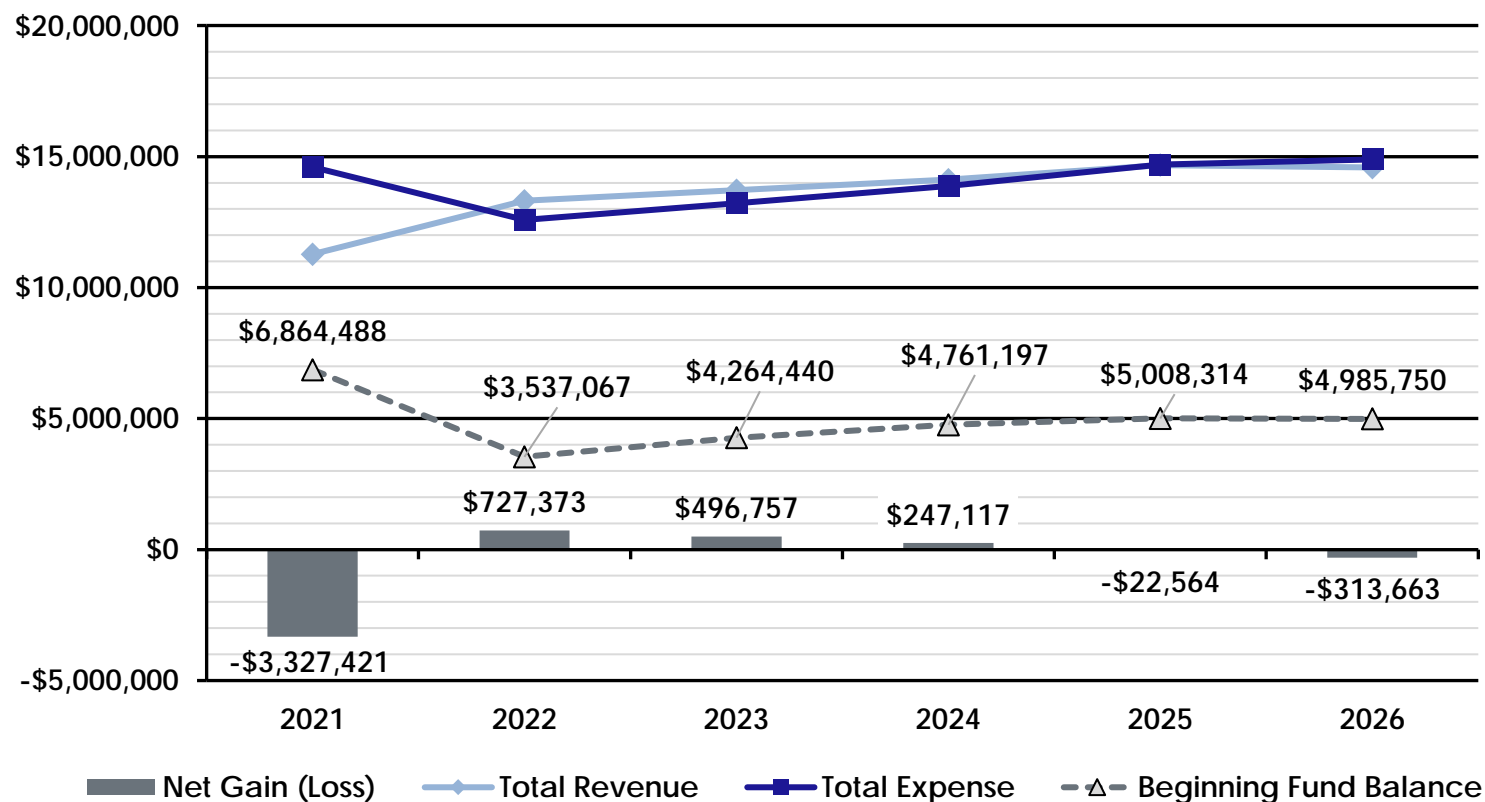
Subsequent Modeling of Scenario 1 at 1.5 Mills

McMinnville, McMinnville Rural, Amity



Subsequent Modeling of Scenario 2 at 1.5 Mills

McMinnville, McMinnville Rural, Amity, Lafayette, New Carlton



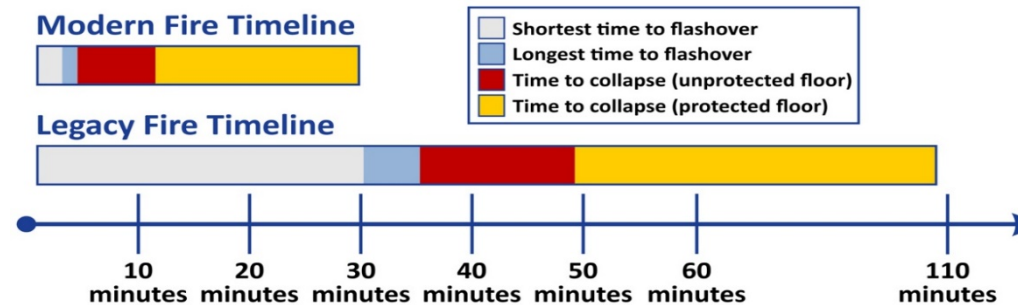
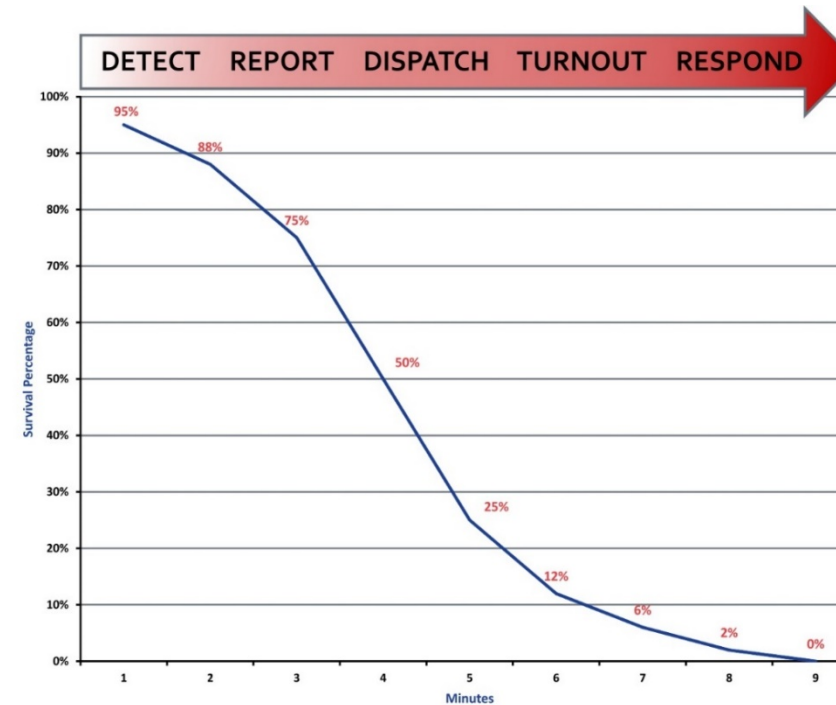
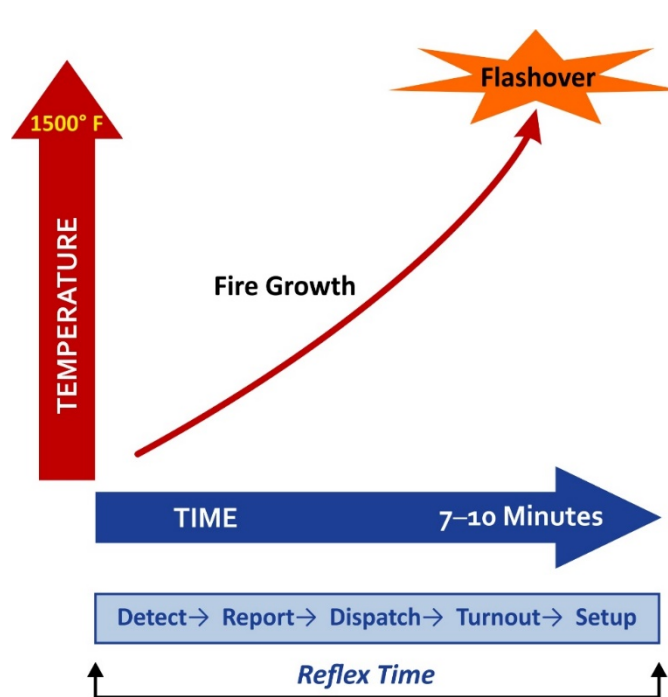
Mills and FTEs with Updated Values

Model	Mill Rate	FTEs Over 5-Year Period
Base	1.5/1.8	10/28
Scenario 1	1.8	20
Scenario 2	1.67	15

Standard of Cover Findings /Observations

- Each agency has made significant effort to meet the service delivery needs of the communities served
- There are distinctive risk and response attributes that cover Urban/Suburban, Rural, and Wilderness response elements
- There is significant variation in the level of capabilities and resources within the participating agencies
- There is significant potential for standardization, enhanced coordination, and increased capabilities through a unified fire district

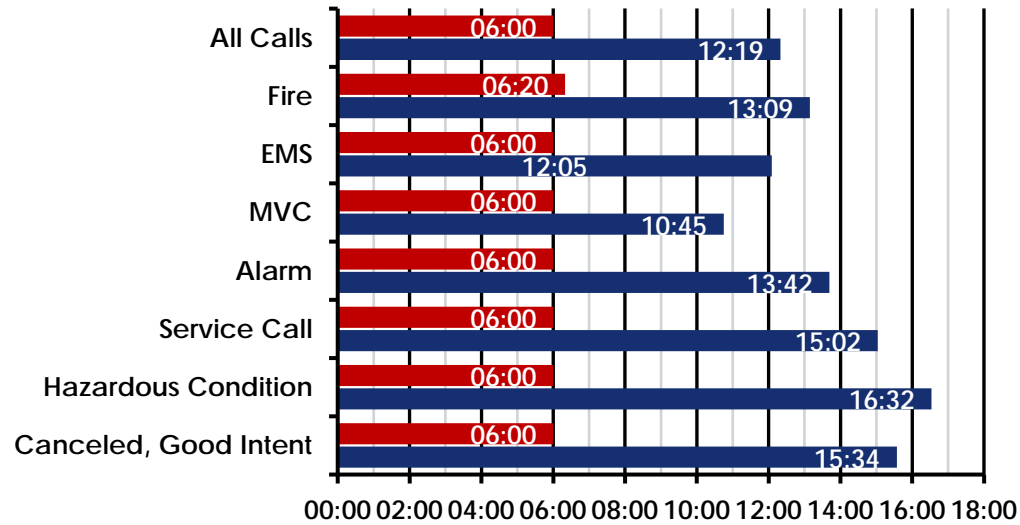
Why Do We Need Quick and Adequate Response?



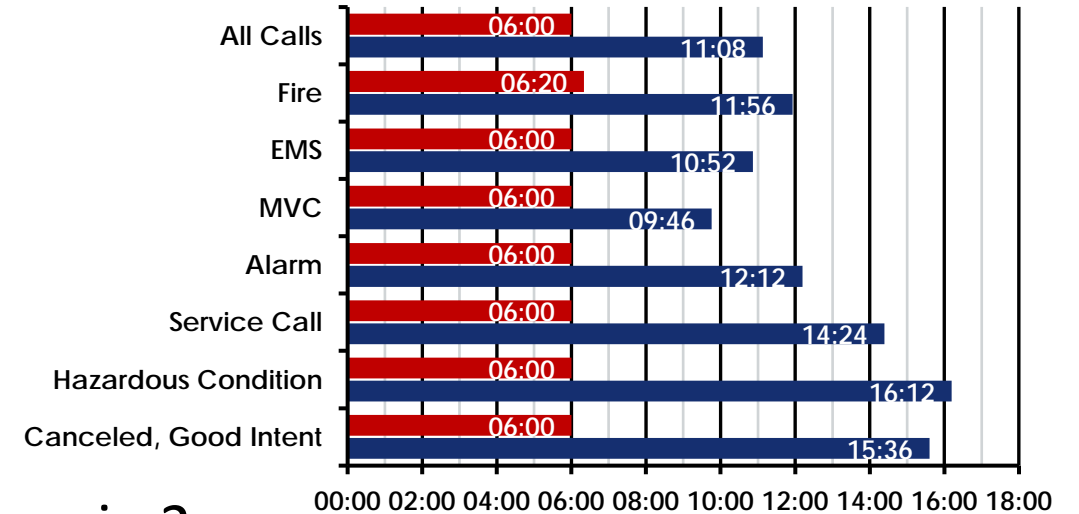
Source: Underwriters Laboratories

SOC Resource Performance

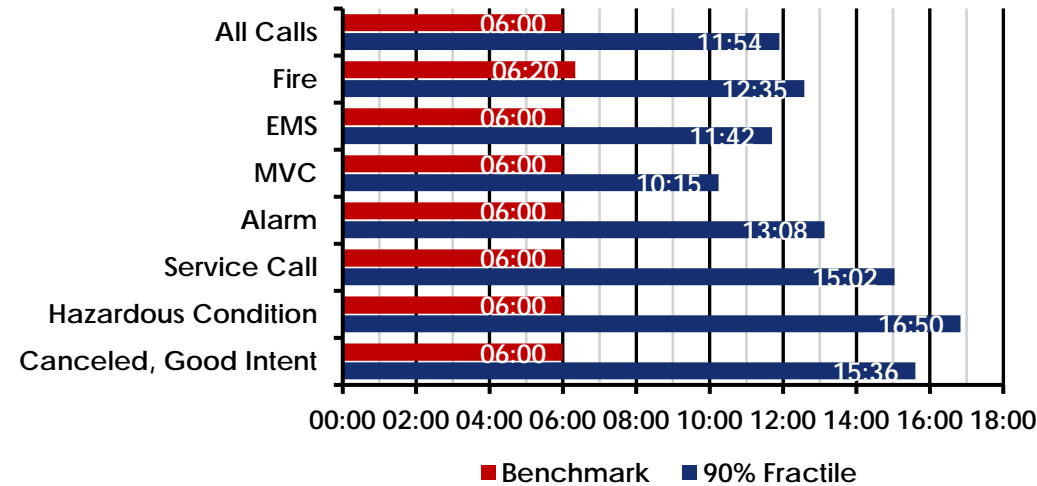
Base



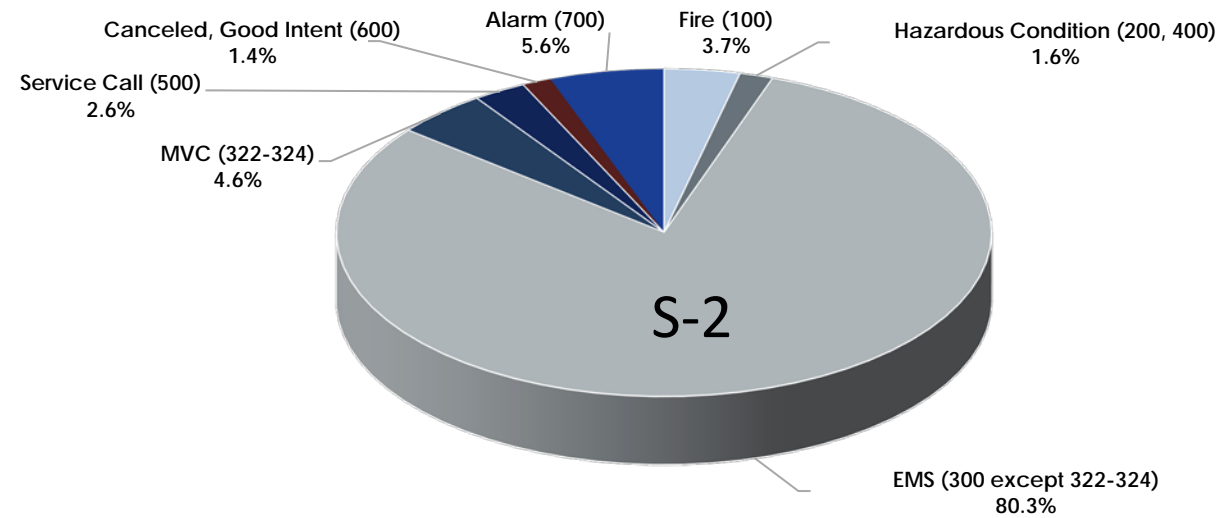
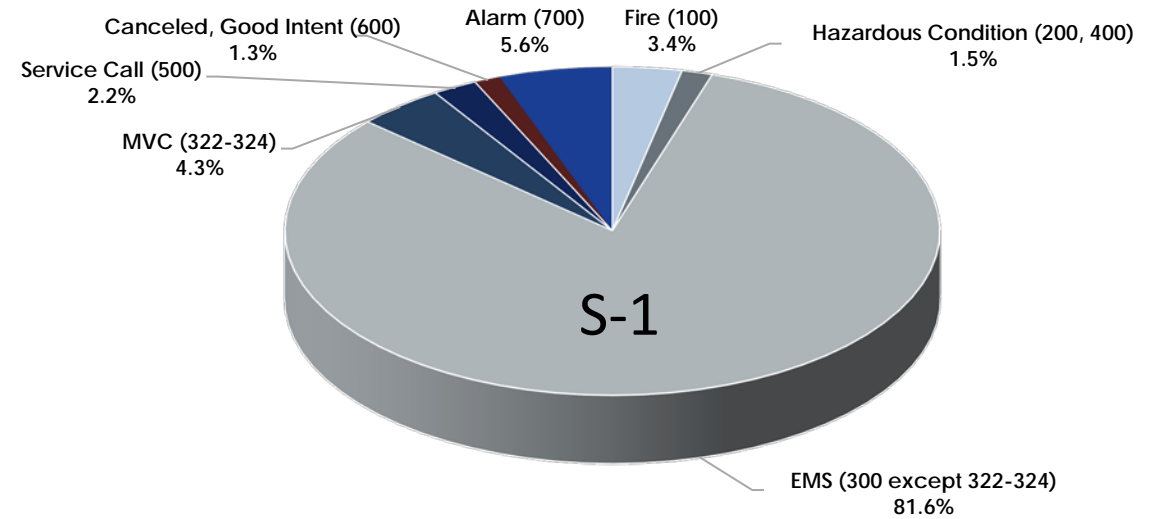
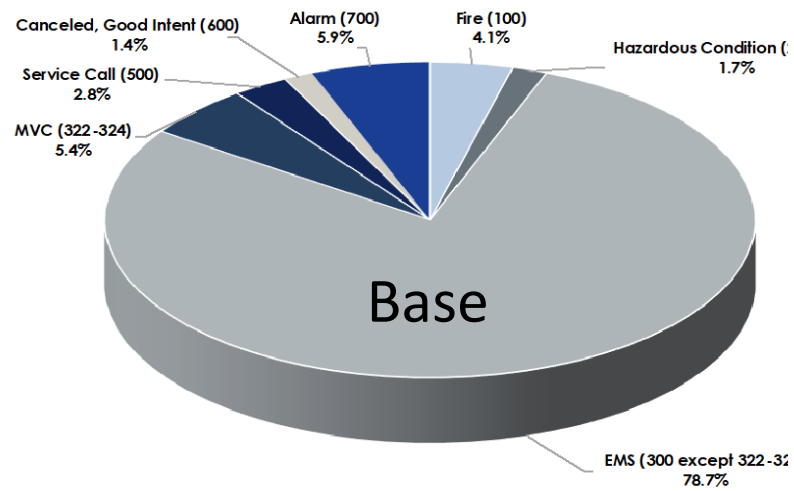
Scenario 1



Scenario 2

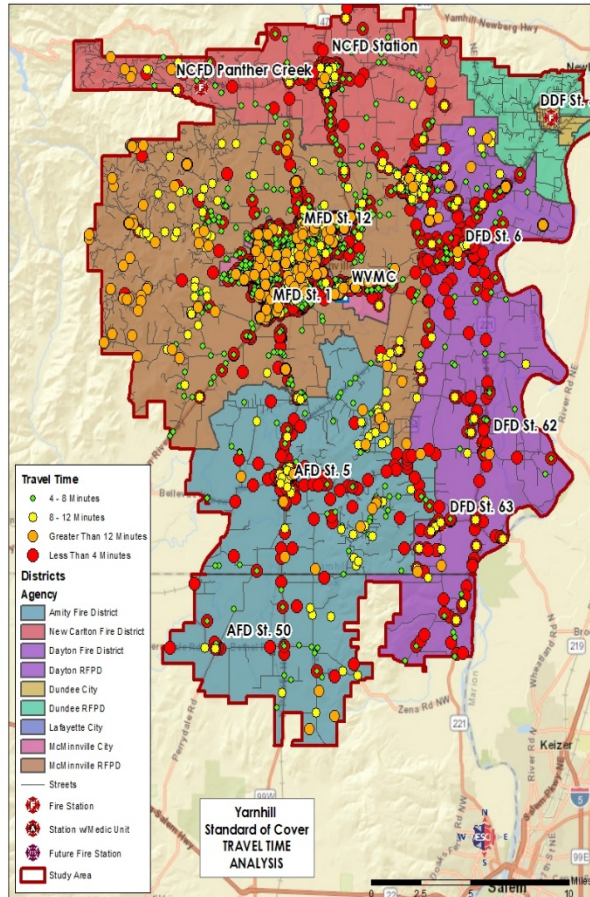


What Kind of Calls?

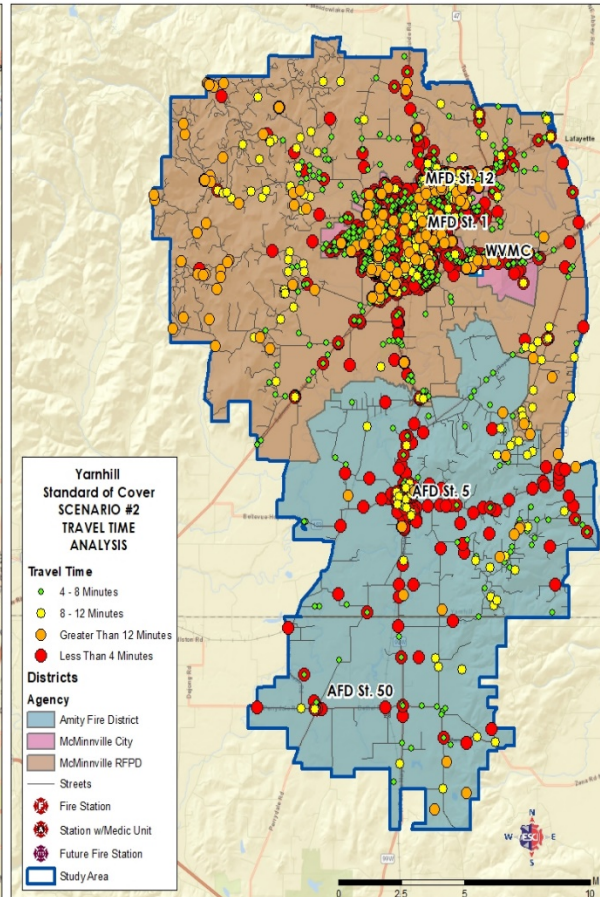


Resource Distribution Actual First Unit Travel Time

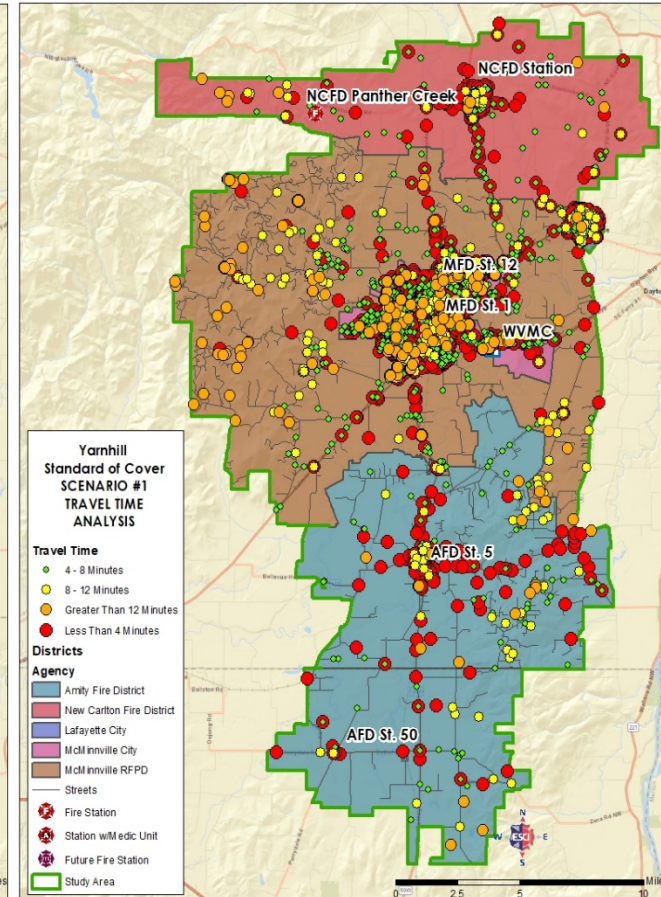
Base 4 Minutes 67.89%



S-1 4 Minutes 67.18%

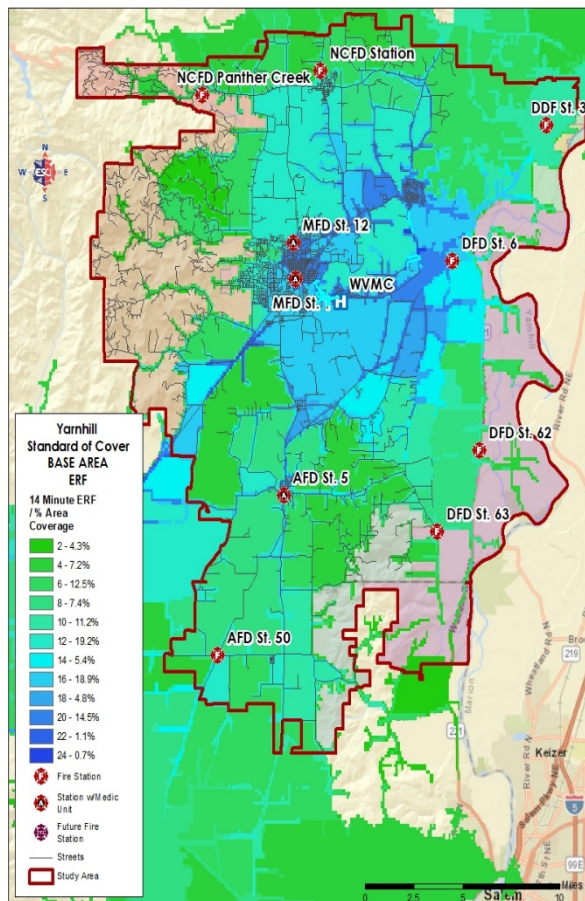


S-2 4 Minutes 67.57%

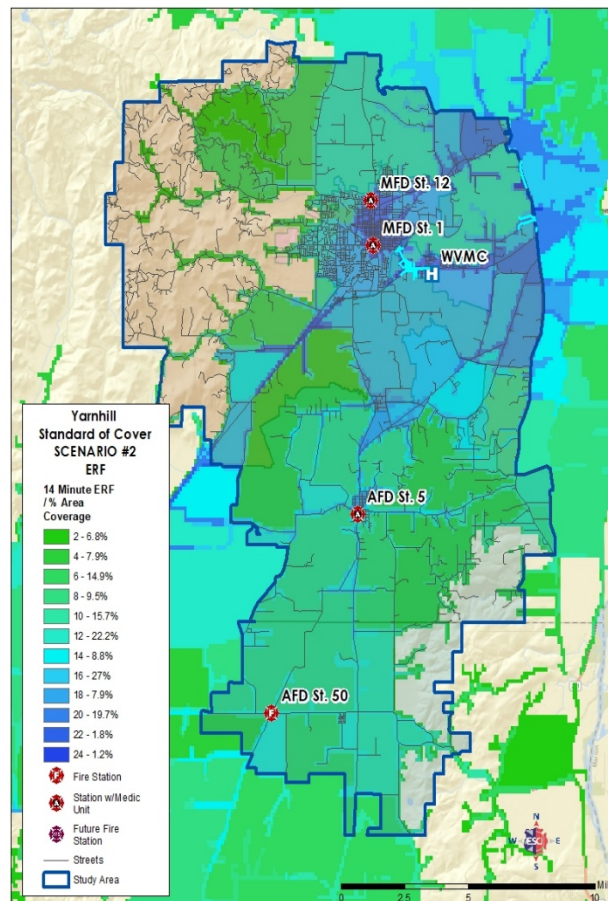


Resource Concentration 14-Minute Effective Response Force

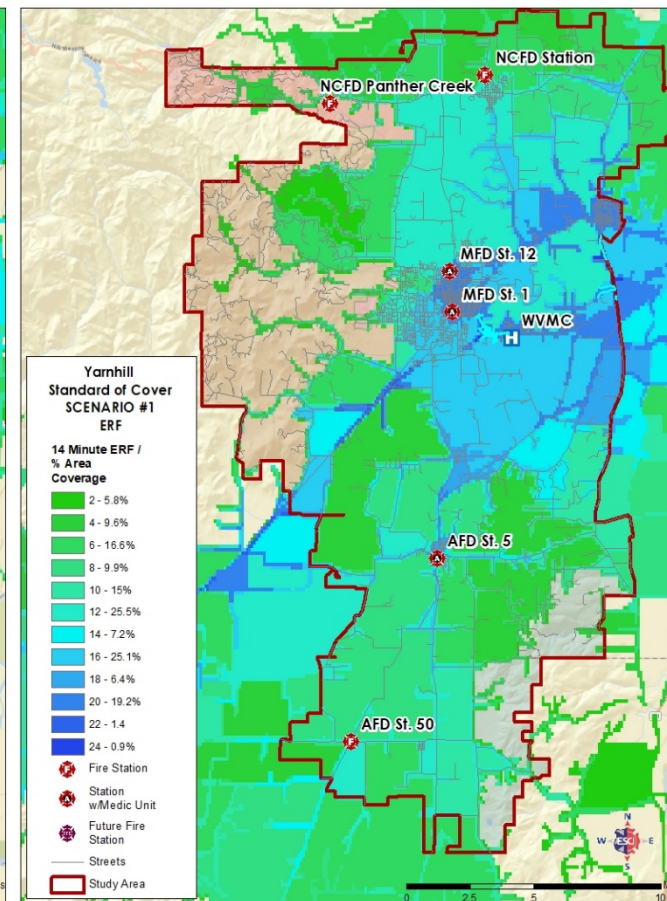
Base 40%



S-1 57.6%



S-2 53%



Added on 08.16.21

SOC Reliability 25% = System Stress

Unit	2019	2020	Change Over Study Period
M1	18.11%	16.67%	-1.44%
M10	17.70%	15.83%	-1.87%
M12	22.86%	22.52%	-0.34%
M13	0.37%	0.33%	-0.04%
M181	0.21%	0.15%	-0.06%
M182	0.00%	0.23%	0.23%
M191	0.34%	1.14%	0.80%
M192	0.07%	0.00%	-0.07%
M193	0.03%	0.31%	0.28%
M20	0.06%	0.82%	0.77%
M21	0.00%	0.01%	0.01%

Unit	2019	2020	Change Over Study Period
E1	9.02%	8.56%	-0.46%
E10	1.83%	1.55%	-0.28%
E101	0.17%	0.17%	-0.01%
E14	1.16%	1.21%	0.05%
E15	0.17%	0.00%	-0.17%
E16	0.36%	0.25%	-0.11%
E191	0.00%	0.11%	0.11%
E198	0.03%	0.08%	0.06%
E20	0.01%	0.08%	0.07%
E21	0.03%	0.00%	-0.03%
E30	0.20%	0.19%	0.00%
E31	0.14%	0.01%	-0.13%
E32	0.03%	0.01%	-0.02%
E4	0.20%	0.20%	0.01%
E41	0.00%	0.05%	0.05%
E42	0.16%	0.04%	-0.12%
E43	0.12%	0.00%	-0.12%
E5	1.12%	0.93%	-0.19%
E51	0.36%	0.34%	-0.02%
E53	0.24%	0.25%	0.00%
E54	0.02%	0.00%	-0.02%
E6	0.49%	0.95%	0.46%
E61	1.13%	0.58%	-0.55%
E62	0.30%	0.26%	-0.04%
E63	0.51%	0.37%	-0.15%
E64	0.29%	0.00%	-0.29%
E7	1.61%	1.09%	-0.52%
E74	0.45%	0.34%	-0.10%
E77	0.17%	0.16%	-0.01%
E8	0.00%	0.00%	0.00%
E9	0.02%	0.00%	-0.02%
E98	0.10%	0.00%	-0.10%
SWE137	0.00%	0.04%	0.04%

2021 YTD 911 Calls

M12 27%

M1 19.334%

M10 19.45%

Overall Initial Recommendations

- Establish Urban/Suburban, Rural, and Wilderness ERZs
- Adopt Urban/Suburban, Rural, and Wilderness Response Goals
- Enhance 24/7 station coverage with paid staff and volunteer incentive programs
- Work with YCCOM911 to validate stated performance and identify call processing and EMD/tiered response measures for improvement
- Evaluate turnout time components, identify impedance factors, and reduce turnout time

Additional Base Scenario Recommendations

- Reduce Fire District-wide travel time and ERF performance by providing 24/7 staffing as follows:
 - Additional staffed McMinnville Truck Company (ERF)
 - Staffed Lafayette Engine
 - Staffed Amity Engine at Station 5
 - Staff Dundee Engine 24/7

Additional Scenario 1 Recommendations

- Reduce Fire District-wide travel time and ERF performance by providing 24/7 staffing as follows:
 - Additional staffed McMinnville Truck Company (ERF)
 - Staffed Amity Engine at Station 5

Additional Scenario 2 Recommendations

- Reduce Fire District-wide travel time and ERF performance by providing 24/7 staffing as follows:
 - Additional staffed McMinnville Truck Company (ERF)
 - Staffed Engine at Amity Station 5
 - Staffed Engine Company at New Carlton

Strategic Implementation Planning

- Initial Planning Session Conducted
- Seven Initiatives, Goals, Objectives established
 - Governance
 - Service Delivery
 - Training
 - Funding
 - Community Engagement
 - Communications and Radio
 - Fire Prevention and EMS

Implementation Task Book Completed



**Emergency Services
Consulting International**

Northern Yamhill Consolidation Study

2020

Implementation Plan



**Emergency Services
Consulting International**

Providing Expertise & Guidance that Enhances Community Safety

Implementation Process (Now What?)

- Agency commitment to move forward
- Establish Joint Implementation Committee
- Finalize the Strategic Implementation Plan
- Establish Implementation Working Groups
- Use the report, financial, and SOC data to move forward
- Meet, Identify, Challenge, Refine, and Overcome

Discussion

STAFF REPORT

DATE: August 16, 2021
TO: Jeff Towery, City Manager
FROM: Jennifer Cuellar, Finance Director
SUBJECT: Work Session: American Rescue Plan Act Investment Options

Strategic Priority and Goal:



CITY GOVERNMENT CAPACITY

Strengthen the City's ability to prioritize & deliver municipal services with discipline and focus.



COMMUNITY SAFETY & RESILIENCY

Proactively plan for and responsively maintain a safe and resilient community



ECONOMIC PROSPERITY

Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors



ENGAGEMENT & INCLUSION

Create a culture of acceptance and mutual respect that acknowledges differences and strives for equity

Report in Brief:

This work session is the second in a series of discussions by the Council and Budget Committee this summer to look at the investments the City will make with its \$7,718,600 allocation of State and Local Fiscal Recovery Funds (SLFRF), the component of the \$1.9 trillion American Rescue Plan Act (ARPA) package targeted to support the efforts of local governments to respond to and recover from the negative impacts of the coronavirus pandemic.

Session Objectives:

- Briefly review the investment options below (10 mins)
- Budget Committee discussion of options (40 mins)
- Summarize initial guidance to staff (5 mins)
- Review next steps (5 mins)

Discussion:

The following table describes projects that meet eligibility requirements under terms of ARPA's State and Local Fiscal Recovery Funds (SLFRF). These are not presented in any particular order.

Revenue Recovery. Most flexible funding category that supports government operations more broadly. Estimate of year 1 revenue loss due to covid is \$6.5 million; currently seeking a CPA firm to review the calculation. General SLFRF prohibitions on use apply, including may not pay down public retirement liabilities, current debt or replace reserve funds.	
Mental health support. Response to mental health calls with mental health professionals as opposed to reliance on police and sworn officers. Potential partners include Yamhill County and City of Newberg.	*
Wildland/urban interface program. Address and plan for increased wildfire risk due to wildland/urban interface by partnering with Yamhill County, other municipalities and/or fire districts.	*
Replace City Firewall/VPN system. Current system EOL 2024 - needs done in 2022-23 the latest. Expensive capital project to add what City needs for next ten years to existing VPN/security architecture.	
Improve City Cybersecurity Posture. Share additional security focused personnel, add a network security appliance/nextgen AV solution, improve recovery efforts, more department exercises and training. Furthers MacTown2032 strategic priority to strengthen government capacity.	
City-wide Security System. Combine city security control systems / cameras into an integrated product.	
Datacenter move. Move fiber room / datacenter from Community Center to a new location TBD.	
Hansen Replacement. Support planned project to improve program technology capacity for engineering, public works, other service delivery systems. Furthers MacTown2032 strategic priority to strengthen government capacity.	
Broad band related investments. The three primary barriers to highspeed internet are 1. Lack of infrastructure (which McMinnville does appear to largely have) 2. People can't afford the service and 3. People don't know how to effectively utilize the internet. We believe the strongest impact the city could make the area of broadband is enabling community access to existing broadband. Potential partners include McMinnville Water and Light, the School district and internet service providers.	*
Website. Web-based communications technology investments to better inform and interact with city residents and businesses. Furthers the Council 2021 goal to improve the city's communication structure internally and with the public.	
Library HVAC overhaul. Ventilation improvements on a 40-year-old system to prevent spread of COVID-19.	

Additional library electronic resources for borrowing. Addressing educational disparities, includes streaming movies, music, audio books. Allows access to library resources from home.	
Electric vehicle for library home delivery. Addressing educational disparities. Home delivery has been a popular and useful service during the pandemic and will continue to be offered to prevent further spread of COVID19. Currently we are using an old Fire Dept. vehicle that is not working as well as we'd like. An electric vehicle would continue the service and be an added advertisement for the library home delivery service.	
Library furniture for COVID safety. Prevent spread of COVID 19 by providing work and reading spaces that better allow for social distancing.	
Materials Handling Unit for returned library materials. Improvements to prevent the spread of COVID19; also represents an investment in the future, freeing up staff to do more value-added work for library patrons and community programs.	
Stormwater Capacity projects. Projects to address areas of flooding / insurance claims. If Inflow and Infiltration (I+I) project, it would be eligible for this funding source.	*
Airport Manager Funding. Consultant or staff to provide professional airport management. Have other grant funds from FAA covid relief that can be spent for operations purposes.	*
Van & Mobile Rec/trailer to provide recreation activities at parks and neighborhoods. The pandemic shifted our programs outdoors to be safer and we also made programs more accessible to all McMinnvillians (free & in neighborhoods across the city). We served over 2,800 people in the first month of Summer Fun and currently use an older pickup truck that has already caused one worker's comp claim this summer. We hope to continue the low barrier Summer Fun program going forward.	
Park maintenance full restoration. Fund additional personnel costs, new equipment and vehicles to build a program that can adequately respond to the increased park acreage in McMinnville's park system, and to improve our maintenance levels in established parks. This request would include replacing or updating aging or non-accessible playgrounds, splash pad and skateparks.	
Parks, Open Space and Natural Area Master Plan & SDC Update. With the likely pause in the master planning work through MacPAC, this project can be managed by P&R and move forward with this funding, potentially using Parks SDC money as well.	*
Innovation Center Infrastructure Readiness Feasibility. Provide for funding for an infrastructure feasibility analysis (wastewater, water, stormwater, broadband, power and transportation) to support McMinnville's future Innovation Center. The Innovation Center is a 150 acre (currently vacant) industrial/entrepreneurial business incubator district located on the south side of Highway 18 in the City's opportunity zone and adjacent to the airport. It has been identified as McMinnville's future opportunity to attract higher wage jobs to the community. This investment would evaluate what types of infrastructure the city needs to proactively design to set the stage for the Innovation Center to be attractive to business development. This project is part of the MAC Town 2032 Economic Development Strategic Plan and was voted on as a priority goal by the	

McMinnville Economic Vitality Leadership Council and the City Council for 2021. Funding request is for \$250,000.	
Master planning. Update the Airport Master Plan, including potential economic development initiatives and the Airport Layout Plan, which is a component of the Master Plan. The City can leverage FAA grant funding to update the Airport Layout Plan, and capital projects identified in an updated Master Plan may be eligible for additional FAA grants.	*
3rd St. Improvement Project. Provide the necessary gap funding for Architectural and Engineering Services to develop 30% construction documents to create a shovel ready project to apply for project construction funds with the planned Infrastructure Relief Bill. Urban Renewal currently has \$200,000 budgeted for the project. Cost proposals are estimated to be \$650,000 – \$800,000 for A & E. Urban Renewal has \$3.0 Million for improvement project. Costs estimates range between \$8.0 – \$10.0 Million. This project is part of the MAC Town 2032 Economic Development Strategic Plan and was voted on as a priority goal by the McMinnville Economic Vitality Leadership Council, the McMinnville Urban Renewal Agency and the City Council for 2021. Time is of the essence for this project in order to be competitive for the Infrastructure Relief Bill. Request is for \$500,000 to move forward with Architectural and Engineering procurement for the 30% shovel ready design documents. Funding is needed in FY 22.	
Evaluate feasibility of Community Center as housing or mixed-use project.	
Support transitional housing. Potential to combine funding from this source to dollars available for the Navigation Center (a low-barrier shelter to offer safety off the street and connections to housing and services to help support people experiencing homelessness regain stability, connect to essential support services and access stable and permanent housing options) and YCAP's Project Turnkey (motel acquired to be used as non-congregate shelter for people experiencing homelessness or at-risk of homelessness).	*
Financial and performance data transparency applications. The goal is to enhance the city's financial modeling/planning and program analysis capacity by leveraging existing data available from its accounting and program software applications. A key outcome would be creating an automated system to provide on demand, relevant information on financial and program performance accessed via the website. Furthers the Council 2021 goal to improve the city's communication structure internally and with the public.	
Time keeping system. Integrated timesheet system allowing the city to go paperless, supporting remote work capacity and strengthening internal control on one of city's largest expenditures – payroll costs.	
Paperless court operations. Investments to support remote court and ability of all community members to access justice easily and quickly. Improved software allowing for remote, paperless court and communications options (text and email) with people who come before the court.	
City Hall remodel. Make building upgrades to allow more accessible, social distanced access to municipal court as well as improve security for sensitive information handled	

by the court. Project objective is to also create a more secure working environment for all staffers who work in the City Hall given reduced staffing levels due to remote work needs and anticipated longer term flexibility in how many staff will execute their jobs.	
Municipal Court – clear the back log from COVID. The court was not able to operate safely for court appearances from March until May 2020 during the pandemic and during the initial months of remote court, fewer cases processed each court session. These combine to create a back log of court cases. The proposal is to expand court appearances from 4 days per month to 5 for one year.	
Emergency Preparedness. Build an emergency service plan so the city is well positioned to respond to various emergencies more effectively in the future by adding grant-funded staff or consulting position. Proposed 2021 council goal though no specific funding allocated for it.	
Grants to distressed businesses and non-profits. Funds for direct payments to distressed businesses and non-profits are available from a number of sources utilizing a variety of ARPA funding streams. Coordinating with state and county partners on any potential program the City might want to pursue will be key to success. Ex: 25 McMinnville restaurants received over \$4 million from federal Restaurant Revitalization fund.	*
Build Public Engagement Capacity and Tools. Provide the funding necessary to engage the community and public in a transparent and equitable way. The City is probably actively engaging 10% of the community at this point. This financial support would allow the City to put the tools together necessary to truly reach out to the remaining 90% of our residents who are not aware of city activities, know how to participate in decision making or are engaging in the dialogue. Request is for \$120,000. \$40,000 per year for three years, FY 22, FY 23, and FY 24. Community Engagement and Inclusion is one of the overall goals of the MAC Town 2032 Strategic Plan.	
Legal Department Files. Investment in legal files software to promote remote work and integrated document creation and management, contract management, recordkeeping, and deadline scheduling.	
ADA Transition Plan. Provide funding to develop an ADA Transition Plan. Per the Federal ADA laws, the City of McMinnville should have an ADA Plan that identifies all barriers for access to public facilities (buildings, parks and public right-of-way) and an implementation plan on how those barriers will be removed. Funding request is for \$250,000. Addresses equity issues and barriers to participation that many in the community face. Currently approximately 18% of McMinnville residents are considered disabled. This is an identified strategic action in the MAC Town 2032 Strategic Plan under Engagement and Inclusion. Request is for FY 23 and FY 24.	
Ambulance. Purchase a replacement ambulance, estimated \$250,000, as a component of the continued public health emergency response efforts.	
Incurred, unreimbursed covid related costs. Direct expenses on covid response and recovery as well as staff time have been incurred since the date eligible expenses opened for SLFRF dollars on March 3, 2021. The City has sought to maximize federal funding available for eligible costs associated with the pandemic in order to minimize	

the costs to local tax payers and proposes to continue to do so during the current and upcoming fiscal years.	
SLFRF grant Administration and Compliance. The cost of administering the SLFRF grant program is an eligible expense under the interim grant guidance. The City proposes to add capacity to manage the workload associated with assuring the compliance and reporting components of these activities are handled with care as well as be as create the systems needed to coordinate activities and communicate with the governing body and general public regarding the impacts of this work.	
General Fund Building Repairs/Maintenance/Updates. These projects would be guided by the recent facility assessment study findings as well as other identified fire/life safety issues in given buildings. To date, the City has been unable to fund reserves for improvements, maintenance, or upgrades, so such work has been limited each year to available funding. Such one- time funding would extend the life of impacted facilities and improve safety and operational capacity.	
General Fund fleet upgrades: To date, the City has not been able to fund replacement reserves in most general fund fleet operations, so unit replacement is limited to available funding each year. This one-time funding would modernize the General Fund fleet and improve operational reliability and capacity.	

* Projects that have alternate funding sources including other components of the ARPA funding package, existing state or federal sources or likely to be eligible for future federal infrastructure dollars.

Next Steps:

Next steps include several activities on the staff side including validation of the revenue loss calculation, preparing systems for tracking the projects and expenditures and training staff on compliance requirements and use of internal systems.

Staff, during September, will also prepare more comprehensive project descriptions and budgets for decision making on project investment options by Council-Budget Committee at the October 12, 2021 work session.

Fiscal Impact:

These discussions will ultimately determine how the City utilizes the one-time funding from now through December 2024 (obligated) and December 2026 (expensed).

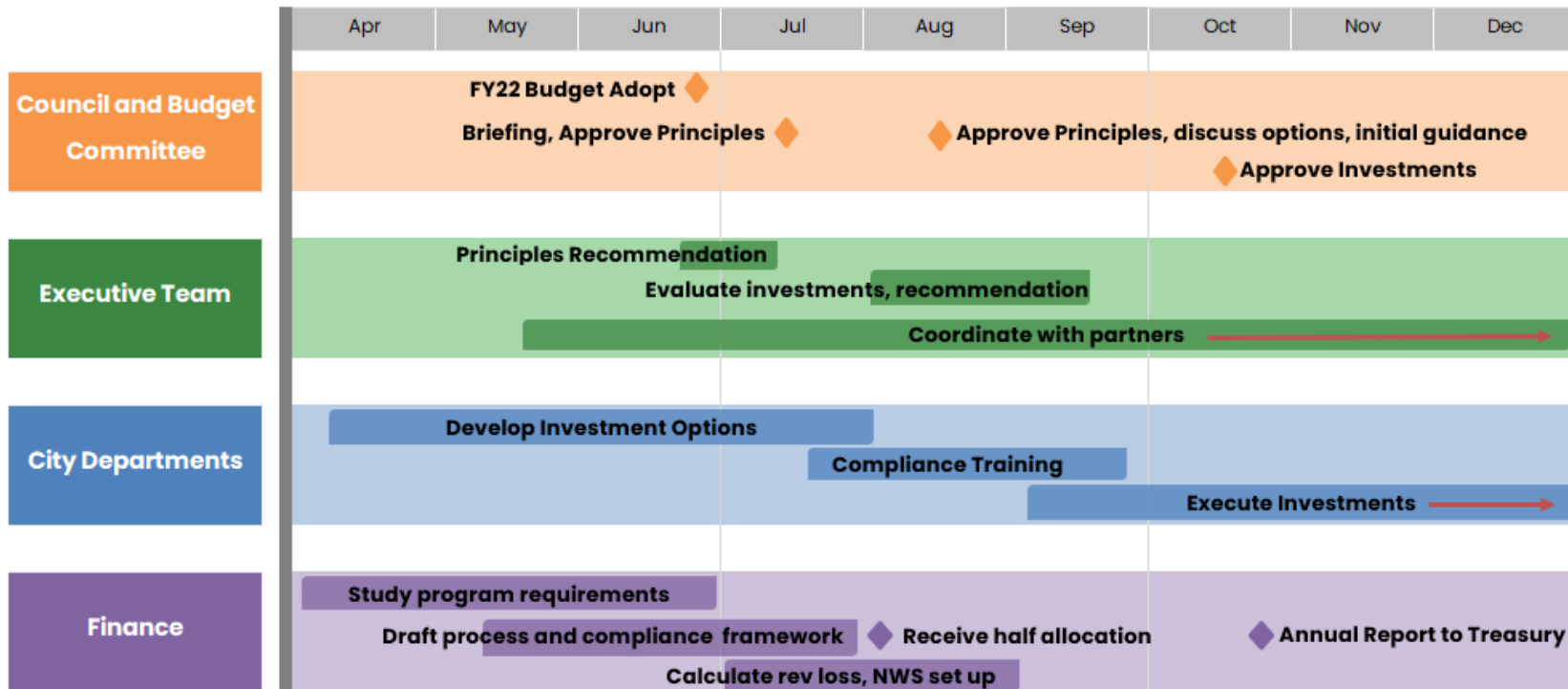
Meeting Materials:

1. SLFRF-ARPA Roadmap Updated 8.9.2021
2. Investment Principles ARPA-SLFRF

The slides for the initial session Discussion ARPA funding on 7/13/2021 can be found on the city website.

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/city_council/meeting/22350/powerpoint_presentations_and_maps_for_07.13.2021_joint_work_session.pdf

American Rescue Plan – State and Local Fiscal Recovery Funds



updated 8.9.2021



Investment Criteria for American Rescue Plan Funds

The American Rescue Plan (ARP) is a historic relief package offering our community the ability to turn the local economy around from the pandemic, make strategic investments that set us up for a prosperous future and carry out these initiatives with equity at the core of decision making regarding the utilization of these one-time resources. As responsible caretakers of these unique public resources, we will use the following principles when evaluating investment options.

Proposed Principles

Address the existing disparities that were exacerbated by the pandemic.

Helping historically marginalized populations (women, BIPOC¹, and other communities), and those who were disproportionately harmed by the pandemic and the natural disasters of 2020 should drive decision-making.

Make McMinnville more resilient. The pandemic and historic climate-related events showed weaknesses in our infrastructure and society that we should work to shore up, leveraging our efforts to create a more environmentally sustainable community and city organization.

Invest in programs where the pandemic has shown us there is a better way. This last year has exposed deficiencies and challenges in many of our basic operations, facilities, city services, programs and ability to communicate effectively with our partners and constituents; addressing these deficits is entirely consistent with McMinnville's value of being courageous as we embrace the future and change that is good for our community.

¹ Black, Indigenous and people of color

Act where possible with local and regional partners to collectively maximize the impact of these dollars. Working together to make innovations in providing local safety net services and economic support to local business has been vital over the last year and should continue to be an operational strategy in our investment choices.

Seek investments that are aligned with MacTown 2032's Strategic Priorities and Council goals. Evaluate investment proposals that advance the locally-defined priorities of the community.

These are one-time funds. To the extent possible, investments made should not increase the city's carrying costs. Selective use of a portion of the federal money to bridge what is anticipated to be a near-term budget gap as we endeavor to create a more sustainable financial footprint to support critical city services may make sense.

Public accountability and participation will be key. These funds are game-changing in size and scope, and the public needs to see – and weigh in – on how these dollars will work for them.

The investment timeframe is generous. Investments may be staged over the next several years to maximize impact. The award period covers project obligations made by December 31, 2024 with a final expense date of obligated dollars by December 31, 2026.

8.16.2021 Joint Council- Budget Committee Meeting

- American Rescue Plan Act (ARPA) – State & Local Fiscal Recovery Funds (SLFRF) investment options review from staff report and next steps preview (10 mins)
- Discussion of options (45 mins)
- Summarize initial guidance to staff (5 mins)

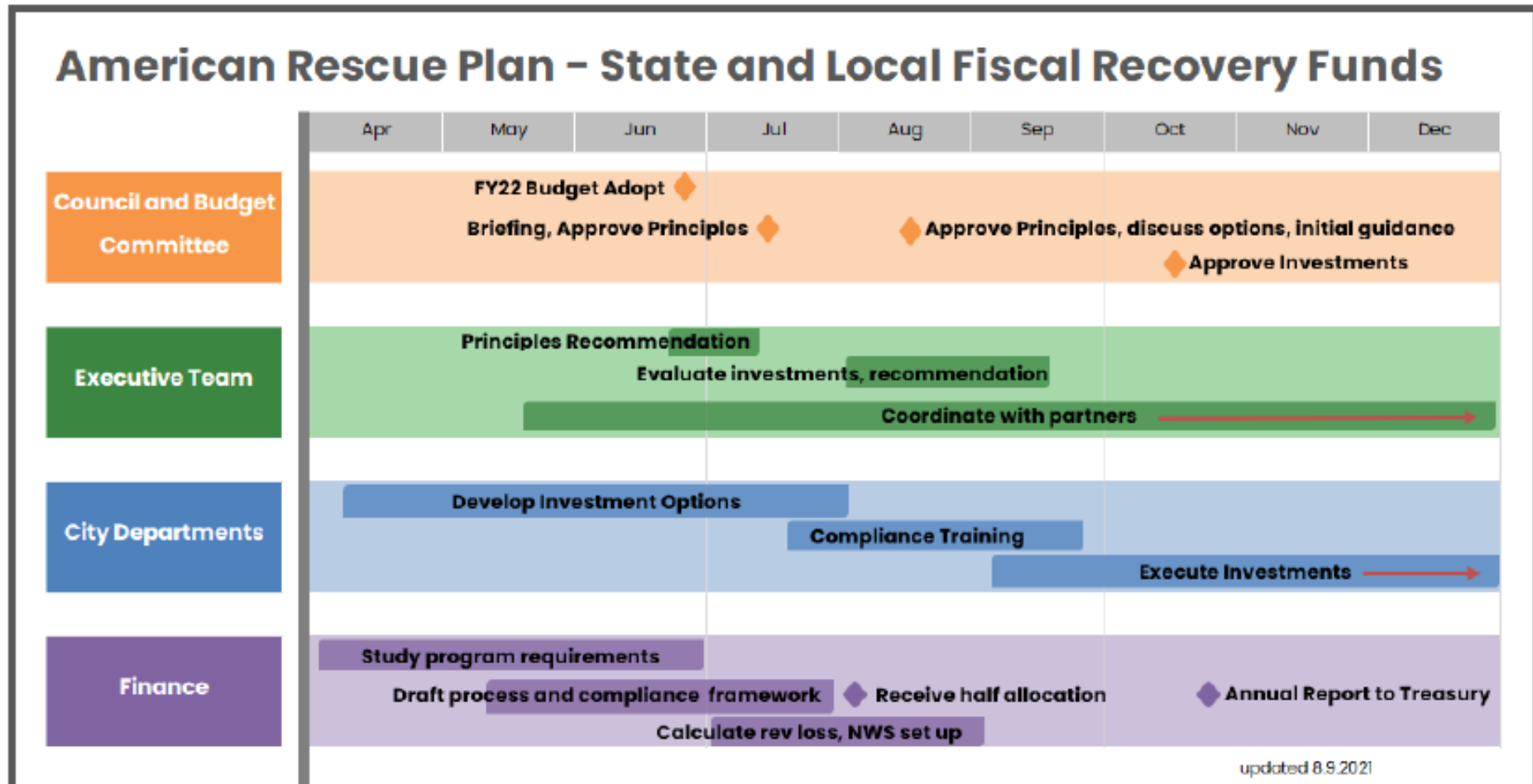
SLFRF next steps

8/16/2021 – Initial Discussions, ID any additional information or work needed

10/12/2021 – Decisions on projects to pursue

10/15/2021 – First year's Report to Treasury Department due

SLFRF Roadmap (updated)



SLFRF Eligible Expenses

Four categories of eligible uses:

- *To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;*
- *To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;*
- *For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and*
- *To make necessary investments in water, sewer, or broadband infrastructure.*

Section 603(c)(1) of the American Rescue Plan Act

SLFRF Prohibited Uses

- **Contributions to pension funds**

Compliance rules clarify that to the extent staffing costs are eligible expenses, the pension costs associated with that labor is allowable

- **Contributions to rainy day funds, financial reserves, legal settlements**

- **Outstanding debt payments**

- **Offset tax cuts**

- **General infrastructure spending outside of broadband, water and sewer**

Rules clarify that governmental services provided by lost revenue dollars can be allocated to other infrastructure outlays

- **Matching funds unless allowed by the federal program**

Considerations for your discussion:

Should it be confirmed that the revenue loss is a large number, how would that impact your thinking on investments in new programming?

Are there any projects/expenditure categories that have clear support that the group would like to give the green light to staff to begin action on tonight? Any such expenditure would be included in the first report to the Treasury Department.

There is no need to Identify use for the entire amount – saving an unassigned portion for the future or other conditions are perfectly reasonable conclusions.

Any other questions on projects noted in the staff report prior to starting your discussions?